



# California Regional Water Quality Control Board

## Santa Ana Region



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Environmental  
Protection

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June 26, 2003

Mr. Joseph Tamusaitis  
The Marquardt Company  
16555 Saticoy Street  
Van Nuys, CA 91406

Ferranti International, Inc.  
3725 Electronic Way  
Lancaster, PA 17604

### **DIRECTIVE TO CONDUCT A RECORDS INVESTIGATION AND SUBMIT A REPORT CONCERNING PERCHLORATE DISCHARGES IN THE RIALTO, COLTON AND CHINO GROUNDWATER SUBBASINS, SAN BERNARDINO COUNTY, CALIFORNIA**

Dear Mr. Tamusaitis:

Perchlorate has been detected in municipal water supply wells in the Rialto, Colton and Chino Groundwater Subbasins in Southern California. These water supply wells are located downgradient of The Marquardt Corporation's former missile research facility, which was located on North Alder Street in Rialto. The Marquardt Corporation (now known as The Marquardt Company and Ferranti International, Inc.) has a long history of involvement with rocket and missile propulsion and the use of perchlorate salts as oxidizers for these products.

As described below, Ferranti International, Inc., The Marquardt Corporation and The Marquardt Company (hereafter collectively, "Marquardt") are suspected dischargers of perchlorate. This letter sets forth an order, pursuant to California Water Code Section 13267, that you conduct an investigation of your records and provide a report with respect to Marquardt's operations in the above-referenced groundwater basins. As required by that provision, this letter contains an explanation of the need for the report and cites evidence supporting the requirement.

#### Background

Perchlorate contamination was first detected in groundwater in the Rialto, Colton and Chino Groundwater Subbasins in 1997. At that time, the California Department of Health Services (DHS) Action Level (AL) for perchlorate in drinking water was 18 parts

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per billion (ppb). Two wells had perchlorate levels exceeding 18 ppb and were shut down. In January 2002, the DHS lowered the AL to 4 ppb. In response to the reduced AL for perchlorate, the local water purveyors in these groundwater basins restricted or eliminated the use of additional production wells with perchlorate concentrations that exceeded 4 ppb. (See Enclosure 1) Between 1997 and the present, various suspected perchlorate dischargers have been identified and ordered by the Regional Board to investigate.

#### The Need for the Investigation and Report

The Regional Board is charged with the protection of water quality in the Rialto, Colton and Chino Groundwater Subbasins. We have been working actively with the water purveyors for several years to identify the extent and address the impact of perchlorate contamination on water resources in these basins. The water purveyors whose wells have been contaminated with perchlorate now claim to face a state of emergency, and may not be able to provide an adequate water supply to their customers. It is urgent that the sources of the contamination be identified, and the magnitude of the perchlorate plume defined.

#### Evidence Supporting the Need for the Investigation and Report by Marquardt

The evidence indicates that The Marquardt Corporation operated a missile and rocket research and development facility in Rialto, California in and around 1965. The 1965 Luskey's City Directory for Rialto (Page 27) references The Marquardt Corporation having a missile and rocket research and development facility on North Alder Avenue (Enclosure 2). Subsequent to 1965, The Marquardt Corporation went through a number of corporate changes. On or about May 13, 1969, The Marquardt Corporation changed its name to "CCI Aerospace Corp." (Enclosure 3) On or about June 7, 1974, CCI changed its name to "The Marquardt Company" (Enclosure 4). In or about August 1983, ISC Electronics, Inc. purchased The Marquardt Company (Enclosure 5). In or about October 1987, ISC merged with Ferranti PLC to eventually form Ferranti International, Inc. (Enclosure 6). The Marquardt Company remains a subsidiary of Ferranti International, Inc. (Enclosure 7). Marquardt has a long history of involvement with rocket and missile propulsion, including the Lunar Orbiter program, Apollo program, and missile programs, such as the Bomarc interceptor missile, among others.

Perchlorate is known to be used as an ingredient of certain missile and rocket engines. Other sites involved with missile and rockets have had documented perchlorate discharges and contamination. (See, e.g., [www.geotracker.swrcb.ca.gov/perchlorate](http://www.geotracker.swrcb.ca.gov/perchlorate))

Based on the evidence, Marquardt is suspected of having discharged perchlorate waste that has adversely affected water quality. This evidence supports the requirement for an investigation, as defined in Section 13267(b)(1) of the California Water Code.

#### Required Report

By July 31, 2003, a report under penalty of perjury containing the following information shall be submitted to the Regional Board staff:

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1. A detailed description of Marquardt's past and present operations in the Rialto, Colton and Chino Groundwater basins, including but not limited to, whether and when it used or handled perchlorate or perchlorate-containing materials and the approximate quantities of such materials; the operations, processes and activities involving perchlorate and perchlorate-containing materials, including testing and waste disposal practices; whether materials, off-spec or defective materials, or other wastes were burned or buried; any known or suspected discharges of perchlorate; any accidents, explosions or fires that may have occurred; and any other information that would be helpful in determining whether a discharge of perchlorate occurred from Marquardt's operations.
2. Any documents pertaining to and/or describing Marquardt's operations in Rialto, Colton and Chino Groundwater Subbasins, including but not limited to maps, plans, diagrams and photographs of the facility and its operations, records pertaining to perchlorate and perchlorate-containing materials, waste disposal records, operating procedures, environmental investigation and remediation reports, and employee lists.

Failure to submit the required Information by the specified deadline will subject you to administrative civil liability in the amount of up to \$1,000 per day pursuant to Section 13268(a) and (b) of the California Water Code.

#### Recovery of Regional Board Expenses

California Water Code Section 13365 addresses the billing process for the Regional Board to recover reasonable expenses for overseeing investigation of illegal discharges, contaminated properties, and other unregulated releases that may adversely affect the State's waters. It is the Regional Board's intent to recover such costs for regulatory oversight work conducted in accordance with this order. A description of the Board's procedure for cost recovery for regulatory oversight of investigations and cleanups will be sent to you under separate cover.

#### Encouragement to Explore Alternative Resolutions and to Cooperate with Water Purveyors and Other Suspected Dischargers

Finally, please be aware that the Board has directed staff to explore alternative ways of solving the water supply problem in the Rialto, Colton and Chino Groundwater Subbasins. In addition, consistent with the Board's direction, we have issued and plan to continue to issue similar directives to a number of other suspected dischargers who have operated in the basins. Thus, there may be opportunities to cooperate with other entities to implement joint investigations or to propose solutions that would address the water supply problem. In fact, we believe it would be both scientifically effective and economically efficient for the suspected dischargers subject to these directives to jointly pursue the investigation and to explore water supply replacement options. Further, consistent with the Board's direction, we recommend that the joint efforts of the suspected dischargers consider both the characterization of the contamination and initiation of water supply replacement or treatment strategies. Board staff has



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experience in managing similar joint investigations and cooperative solutions. If you are interested in discussing this, please contact us to arrange a meeting.

If you have any questions about this letter, please contact Ann Sturdivant, Chief of our Spills, Leaks, Investigations and Cleanups Section, at (909) 782-4904.

Sincerely,



for Gerard J. Thibeault  
Executive Officer

Enclosures:

1. Well Location Map, showing perchlorate contamination in municipal water supply wells.
2. Excerpt from Luskey's City Directory, 1965.
3. CCI Aerospace Corporation, Database printout, California Secretary of State records.
4. CCI Corporation, Database printout, California Secretary of State records.
5. *Marquardt Company v. United States*, 822 F. 2d 1573 (1987).
6. International Signal & Control-Ferranti PLC, Mergers & Acquisitions Database, IDD Information Services Inc., June 23, 1989.
7. The Marquardt Company, California Secretary of State, California Business Portal, June 6, 2003.
8. Mailing List.

cc (w/out enclosures):

Regional Board members

Jorge Leon, Office of Chief Counsel, SWRCB

Wayne Praskins, U.S. EPA, Region IX

Inland Empire Perchlorate Task Force members (mailing list attached)

AES/Data/SLIC/2001-03 Rialto perchlorate/13267 duchesneau/marquardt

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